

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 996

To amend title 38, United States Code, to change the name of Servicemen's Group Life Insurance program to Servicemembers' Group Life Insurance, to merge the Retired Reservists' Servicemembers' Group Life Insurance program into the Veterans' Group Life Insurance program, to extend Veterans' Group Life Insurance coverage to members of the Ready Reserve of a uniformed service who retire with less than 20 years of service, to permit an insured to convert a Veterans' Group Life Insurance policy to an individual policy of life insurance with a commercial insurance company at any time, and to permit an insured to convert a Servicemembers' Group Life Insurance policy to an individual policy of life insurance with a commercial company upon separation from service.

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## IN THE SENATE OF THE UNITED STATES

JUNE 29 (legislative day, JUNE 19), 1995

Mr. SIMPSON (by request) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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## A BILL

To amend title 38, United States Code, to change the name of Servicemen's Group Life Insurance program to Servicemembers' Group Life Insurance, to merge the Retired Reservists' Servicemembers' Group Life Insurance program into the Veterans' Group Life Insurance program, to extend Veterans' Group Life Insurance coverage to members of the Ready Reserve of a uniformed service who retire with less than 20 years of service, to permit an insured to convert a Veterans' Group Life Insurance

policy to an individual policy of life insurance with a commercial insurance company at any time, and to permit an insured to convert a Servicemembers' Group Life Insurance policy to an individual policy of life insurance with a commercial company upon separation from service.

1       *Be it enacted by the Senate and House of Representa-*  
 2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38,**  
 4                               **UNITED STATES CODE.**

5       (a) SHORT TITLE.—This Act may be cited as the  
 6       “Veterans’ Insurance Reform Act of 1995”.

7       (b) REFERENCES.—Except as otherwise expressly  
 8       provided, whenever in this Act an amendment is expressed  
 9       in terms of an amendment to a section or other provision,  
 10       the reference shall be considered to be made to a section  
 11       or other provision of title 38, United States Code.

12       **SEC. 2. REMOVAL OF GENDER REFERENCES.**

13       (a) IN GENERAL.—

14               (1) Section 1315(f)(1)(F) is amended by strik-  
 15       ing out “servicemen’s” in the first place it appears  
 16       and inserting in lieu thereof “servicemembers’”.

17               (2) Sections 1967 (a), (c), and (f), 1968(b),  
 18       1969 (a)–(e), 1970 (a), (f), and (g), 1971(b), 1973,  
 19       1974, 1977 (a), (d), (e), and (g), 3017(a), and  
 20       3224(1) are amended by striking out “Servicemen’s”

1 each place it appears and inserting in lieu thereof  
 2 “Servicemembers’”.

3 (b) CONFORMING AMENDMENTS.—(1)(A) The head-  
 4 ing of subchapter III of chapter 19 is amended to read  
 5 as follows:

6 “SUBCHAPTER III—SERVICEMEMBERS’ GROUP  
 7 LIFE INSURANCE (FORMERLY SERVICE-  
 8 MEN’S GROUP LIFE INSURANCE)”.

9 (B) The item relating to such subchapter in the table  
 10 of sections at the beginning of such chapter is amended  
 11 to read as follows:

“SUBCHAPTER III—SERVICEMEMBERS’ GROUP LIFE INSURANCE (FORMERLY  
 SERVICEMEN’S GROUP LIFE INSURANCE)”.

12 (2)(A) The heading of section 1974 is amended to  
 13 read as follows:

14 **“§ 1974. Advisory Council on Servicemembers’ Group**  
 15 **Life Insurance (formerly Servicemen’s**  
 16 **Group Life Insurance)”.**

17 (B) The item relating to such section in the table of  
 18 sections at the beginning of chapter 19 is amended to read  
 19 as follows:

“1974. Advisory Council on Servicemembers’ Group Life Insurance (formerly  
 Servicemen’s Group Life Insurance)”.

1 **SEC. 3. MERGER OF RETIRED RESERVIST SERVICE-**  
2 **MEMBERS' GROUP LIFE INSURANCE AND**  
3 **VETERANS' GROUP LIFE INSURANCE AND EX-**  
4 **TENSION OF VETERANS' GROUP LIFE INSUR-**  
5 **ANCE TO MEMBERS OF THE READY RE-**  
6 **SERVES.**

7 (a) Section 1965(5) is amended—

8 (1) in subparagraph (B), by inserting “and” at  
9 the end thereof;

10 (2) by striking subparagraphs (C) and (D); and

11 (3) redesignating subparagraph (E) as subpara-  
12 graph (C).

13 (b) Section 1967 is amended—

14 (1) in subsection (a)—

15 (A) in paragraph (1) by inserting “and” at  
16 the end thereof;

17 (B) by striking paragraphs (3) and (4) in  
18 their entirety; and

19 (C) by striking “or the first day a member  
20 of the Reserves, whether or not assigned to the  
21 Retired Reserve of a uniformed service, meets  
22 the qualifications of section 1965(5)(C) of this  
23 title, or the first day a member of the Reserves  
24 meets the qualifications of section 1965(5)(D)  
25 of this title,”; and

1           (2) by striking subsection (d) in its entirety;  
2       and

3           (3) by redesignating subsections (e) and (f) as  
4       subsections (d) and (e) respectively.

5       (c) Section 1968 is amended—

6           (1) in subsection (a)—

7                (A) by striking “subparagraph (B), (C), or  
8                (D) of section 1965(5)” and inserting “section  
9                1965(5)(B)” in lieu thereof;

10           (B) in paragraph (4) by striking—

11                (i) “—(A)” and inserting a comma in  
12                lieu thereof;

13                (ii) subparagraphs (B) and (C) in  
14                their entirety; and

15                (C) by striking paragraphs (5) and (6) in  
16                their entirety; and

17           (2) in subsection (b) by striking the last two  
18       sentences.

19       (d) Section 1969 is amended—

20           (1) in subsection (a)(2) by striking “is assigned  
21       to the Reserve (other than the Retired Reserve) and  
22       meets the qualifications of section 1965(5)(C) of this  
23       title, or is assigned to the Retired Reserve and meets  
24       the qualifications of section 1965(5)(D) of this  
25       title,”;

1 (2) by striking subsection (e) in its entirety;  
2 and

3 (3) by redesignating subsections (f) and (g) as  
4 subsections (e) and (f) respectively.

5 **SEC. 4. CONVERSION TO COMMERCIAL LIFE INSURANCE**  
6 **POLICY.**

7 (a) Section 1968(b) is amended by—

8 (1) adding “(1)” following “the date such in-  
9 surance would cease,” in the first sentence;

10 (2) redesignating clauses (1) and (2) in the  
11 first sentence as (A) and (B) respectively;

12 (3) striking “title.” at the end of the first sen-  
13 tence and inserting in lieu thereof “title, or, (2) at  
14 the election of the member, shall be converted to an  
15 individual policy of insurance as described in section  
16 1977(e) of this title upon written application for  
17 conversion made to the participating company se-  
18 lected by the member and payment of the required  
19 premiums.”; and

20 (4) adding “to Veterans’ Group Life Insurance”  
21 following “automatic conversion” in the second sen-  
22 tence.

23 (b) Section 1977 is amended—

24 (1) in paragraph (a) by striking the last two  
25 sentences and inserting in lieu thereof the following:

1        “If any person insured under Veterans’ Group Life  
2        Insurance again becomes insured under  
3        Servicemembers’ Group Life Insurance but dies be-  
4        fore terminating or converting such person’s Veter-  
5        ans’ Group Insurance, Veterans’ Group Life Insur-  
6        ance will be payable only if such person is insured  
7        for less than \$200,000 under Servicemembers’  
8        Group Life Insurance, and then only in an amount  
9        which when added to the amount of Servicemembers’  
10       Group Life Insurance payable shall not exceed  
11       \$200,000.”; and

12                (2) in paragraph (e) by striking the third sen-  
13        tence and inserting in lieu thereof the following:  
14        “The Veterans’ Group Life Insurance policy will ter-  
15       minate on the day before the date on which the indi-  
16       vidual policy becomes effective.”.

17        **SEC. 5. EFFECTIVE DATE.**

18        The Servicemembers’ Group Life Insurance of any  
19        member of the Retired Reserve of a uniform service in  
20        force on the date of enactment of this Act shall be con-  
21       verted, effective ninety days after that date, to Veterans’  
22        Group Life Insurance.

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